



# SNS College of Technology **sns** INSTITUTIONS

Coimbatore - 35

## Legal Aspects of Business

### Unit V – Indirect taxes and consumer protection act



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**1<sup>st</sup>** Indian  
*Institution*  
to **Implement**

**Design  
Thinking  
Curriculum**

Redesigning Common Mind and Business Towards Excellence



# Guess the Topic!!!





# SYNOPSIS



- Introduction to Tax
- Income tax - Meaning
- Heads of Income
- Assessee , Assessment year & previous year
- Residential status , Gross total income





# Introduction to Tax



Tax is a compulsory payment made to the government for service it provide us, though people may not be satisfied or convinced with these services.

Eg: Income tax is an instrument used by the government to achieve its social and economic objectives



## Income tax - Meaning



- ❖ Income Tax is the main source of income for the government. Tax money is used in initiating various welfare and other activities.
- ❖ Income tax is used to fund public services, pay government obligations, and provide goods for citizens.





# Heads of Income



## HEADS OF INCOME

A person may earn and receive income from different sources during the tax year. For the purpose of charge of income tax and calculation of tax payable, the income is classified under five heads. These heads of income have been specified in section 11 of the income Tax Ordinance, 2001, and are as follows ;

- Salary.
- Income from house property.
- Income from business or profession.
- Capital gains.
- Income from other sources.







## Assessee , Assessment year & Previous year



An assessee is any individual who is liable to pay taxes to the government against any kind of income earned or any losses incurred for a particular assessment year.

*Status of*  
**Assessee**  
*under Service Tax*





# Assessment year & Previous year



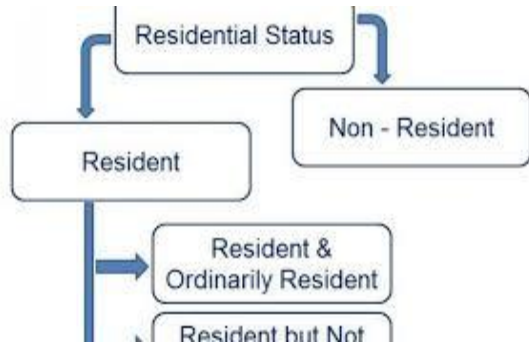
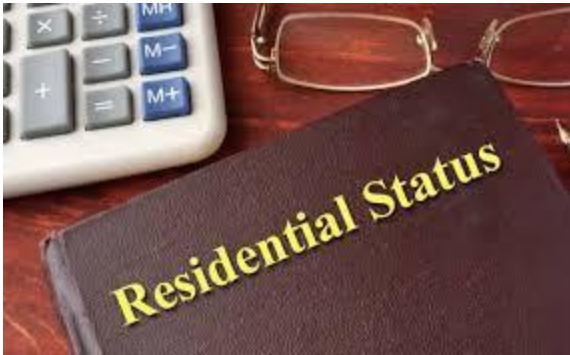
**year**  
financial  
income tax  
assessment  
AY

previous  
FY  
PY

jargon



# Residential Status & Gross total income



The term residential status has been coined under the income tax laws of india and must not be confused with an individual's citizenship in india. An individual may be a citizen of india but may end up being non-resident for a particular year.

# Gross total income



Gross income refers to the total income earned by an individual on pay check before taxes and other deductions.

The revenue sources may comprise income from selling goods and services, intellectual properties, income from rental property, capital gains from investments.



# Recap



- Introduction to Tax
- Income tax - Meaning
- Heads of Income
- Assessee , Assessment year & previous year
- Residential status , Gross total income

I just need  
the main ideas





# References

- ✓ <http://legislative.gov.in/sites/default/files/A1881-26.pdf>
- ✓ <https://www.indiacode.nic.in/handle/123456789/2189?locale=en>

